

Adopted

Rejected

COMMITTEE REPORT

YES: 10

NO: 0

MR. SPEAKER:

*Your Committee on Public Health, to which was referred House Bill 1097, has had the same under consideration and begs leave to report the same back to the House with the recommendation that said bill **be amended** as follows:*

- 1 Page 1, between the enacting clause and line 1, begin a new
- 2 paragraph and insert:
- 3 "SECTION 1. IC 27-1-15.7-2, AS AMENDED BY P.L.60-2005,
- 4 SECTION 1, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE
- 5 JULY 1, 2006]: Sec. 2. (a) Except as provided in subsection (b), to
- 6 renew a license issued under IC 27-1-15.6:
- 7 (1) a resident insurance producer must complete at least forty (40)
- 8 hours of credit in continuing education courses; and
- 9 (2) a resident limited lines producer must complete at least ten
- 10 (10) hours of credit in continuing education courses.
- 11 An attorney in good standing who is admitted to the practice of law in
- 12 Indiana and holds a license issued under IC 27-1-15.6 may complete all
- 13 or any number of hours of continuing education required by this
- 14 subsection by completing an equivalent number of hours in continuing
- 15 legal education courses that are related to the business of insurance.

(b) To renew a license issued under IC 27-1-15.6, a limited lines producer with a title qualification under IC 27-1-15.6-7(a)(8) must complete at least fourteen (14) hours of credit in continuing education courses related to the business of title insurance with at least one (1) hour of instruction in a structured setting or comparable self-study in each of the following:

- (1) Ethical practices in the marketing and selling of title insurance.
- (2) Title insurance underwriting.
- (3) Escrow issues.
- (4) Principles of the federal Real Estate Settlement Procedures Act (12 U.S.C. 2608).

An attorney in good standing who is admitted to the practice of law in Indiana and holds a license issued under IC 27-1-15.6 with a title qualification under IC 27-1-15.6-7(a)(8) may complete all or any number of hours of continuing education required by this subsection by completing an equivalent number of hours in continuing legal education courses related to the business of title insurance or any aspect of real property law.

(c) The following insurance producers are not required to complete continuing education courses to renew a license under this chapter:

- (1) A limited lines producer who is licensed without examination under IC 27-1-15.6-18(1) or IC 27-1-15.6-18(2).
- (2) A limited line credit insurance producer.
- (3) An insurance producer who is at least seventy (70) years of age and has been a licensed insurance producer continuously for at least twenty (20) years immediately preceding the license renewal date.

(d) To satisfy the requirements of subsection (a) or (b), a licensee may use only those credit hours earned in continuing education courses completed by the licensee:

- (1) after the effective date of the licensee's last renewal of a license under this chapter; or
- (2) if the licensee is renewing a license for the first time, after the date on which the licensee was issued the license under this chapter.

(e) If an insurance producer receives qualification for a license in more than one (1) line of authority under IC 27-1-15.6, the insurance producer may not be required to complete a total of more than forty

1 (40) hours of credit in continuing education courses to renew the
2 license.

3 (f) Except as provided in subsection (g), a licensee may receive
4 credit only for completing continuing education courses that have been
5 approved by the commissioner under section 4 of this chapter.

6 (g) A licensee who teaches a course approved by the commissioner
7 under section 4 of this chapter shall receive continuing education credit
8 for teaching the course.

9 (h) When a licensee renews a license issued under this chapter, the
10 licensee must submit:

11 (1) a continuing education statement that:

12 (A) is in a format authorized by the commissioner;

13 (B) is signed by the licensee under oath; and

14 (C) lists the continuing education courses completed by the
15 licensee to satisfy the continuing education requirements of
16 this section; and

17 (2) any other information required by the commissioner.

18 (i) A continuing education statement submitted under subsection (h)
19 may be reviewed and audited by the department.

20 (j) A licensee shall retain a copy of the original certificate of
21 completion received by the licensee for completion of a continuing
22 education course.

23 **(k) A licensee who completes a continuing education course that:**

24 **(1) is approved by the commissioner under section 4 of this**
25 **chapter;**

26 **(2) is held in a classroom setting; and**

27 **(3) concerns ethics;**

28 **shall receive continuing education credit for the number of hours**
29 **for which the course is approved plus additional hours, not to**
30 **exceed two (2) hours in a renewal period, equal to the number of**
31 **hours for which the course is approved.**

32 SECTION 2. IC 27-1-15.7-6 IS AMENDED TO READ AS
33 FOLLOWS [EFFECTIVE JULY 1, 2006]: Sec. 6. (a) As used in this
34 section, "council" refers to the insurance producer education and
35 continuing education advisory council created under subsection (b).

36 (b) The insurance producer education and continuing education
37 advisory council is created within the department. The council consists
38 of the commissioner and ~~thirteen (13)~~ **fifteen (15)** members appointed

1 by the governor as follows:

2 (1) Two (2) members recommended by the Professional Insurance
3 Agents of Indiana.

4 (2) Two (2) members recommended by the Independent Insurance
5 Agents of Indiana.

6 (3) Two (2) members recommended by the Indiana Association of
7 Insurance and Financial Advisors.

8 **(4) Two (2) members recommended by the Indiana State**
9 **Association of Health Underwriters.**

10 ~~(4)~~ (5) Two (2) representatives of direct writing or exclusive
11 producer's insurance companies.

12 ~~(5)~~ (6) One (1) representative of the Association of Life Insurance
13 Companies.

14 ~~(6)~~ (7) One (1) member recommended by the Insurance Institute
15 of Indiana.

16 ~~(7)~~ (8) One (1) member recommended by the Indiana Land Title
17 Association.

18 ~~(8)~~ (9) Two (2) other individuals.

19 (c) Members of the council serve for a term of three (3) years.
20 Members may not serve more than two (2) consecutive terms.

21 (d) Before making appointments to the council, the governor must:

22 (1) solicit; and

23 (2) select appointees to the council from;

24 nominations made by organizations and associations that represent
25 individuals and corporations selling insurance in Indiana.

26 (e) The council shall meet at least semiannually.

27 (f) A member of the council is entitled to the minimum salary per
28 diem provided under IC 4-10-11-2.1(b). A member is also entitled to
29 reimbursement for traveling expenses and other expenses actually
30 incurred in connection with the member's duties, as provided in the
31 state travel policies and procedures established by the state department
32 of administration and approved by the state budget agency.

33 (g) The council shall review and make recommendations to the
34 commissioner with respect to course materials, curriculum, and
35 credentials of instructors of each prelicensing course of study for which
36 certification by the commissioner is sought under section 5 of this
37 chapter and shall make recommendations to the commissioner with
38 respect to educational requirements for insurance producers.

1 (h) A member of the council or designee of the commissioner shall
 2 be permitted access to any classroom while instruction is in progress to
 3 monitor the classroom instruction.

4 (i) The council shall make recommendations to the commissioner
 5 concerning the following:

6 (1) Continuing education courses for which the approval of the
 7 commissioner is sought under section 4 of this chapter.

8 (2) Rules proposed for adoption by the commissioner that would
 9 affect continuing education."

10 Page 2, line 7, after "6." insert "(a)".

11 Page 2, between lines 12 and 13, begin a new paragraph and insert:

12 **"(b) The term does not include the following:**

13 **(1) An insurance company, or an affiliate of an insurance**
 14 **company, that is regulated under this title.**

15 **(2) A health maintenance organization, or an affiliate of a**
 16 **health maintenance organization, that is regulated under this**
 17 **title."**

18 Renumber all SECTIONS consecutively.

(Reference is to HB 1097 as introduced.)

and when so amended that said bill do pass.

Representative Brown T